



**Service of Process
Transmittal**

08/01/2016

CT Log Number 529594527

TO: Charles T Denaro
Reliance Standard Life Insurance Company
2001 Market St Ste 1500
Philadelphia, PA 19103-7090

RE: **Process Served in Michigan**

FOR: Reliance Standard Life Insurance Company (Domestic State: IL)

Compliance Department

RECEIVED AUG 02 2016

AUG 02 2016

DEBRA G. STAPLES

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION: Home Owners Insurance Company, Pltf. vs. Reliance Standard Life Insurance, etc.,
Dft.
Name discrepancy noted.

DOCUMENT(S) SERVED: Summons, Complaint, Proof, Attachment(s)

COURT/AGENCY: Wayne County - 3rd Circuit Court, MI
Case # 16009489CZ

NATURE OF ACTION: Insurance Litigation

ON WHOM PROCESS WAS SERVED: The Corporation Company, Bingham Farms, MI

DATE AND HOUR OF SERVICE: By Certified Mail on 08/01/2016 postmarked: "Illegible"

JURISDICTION SERVED : Michigan

APPEARANCE OR ANSWER DUE: Within 28 days after receiving this summons (Document(s) may contain additional
answer dates)

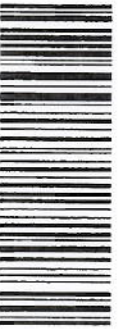
ATTORNEY(S) / SENDER(S): Robert L. Goldenbogen
Garan Lucow Miller, P.C.
1411 Third Street
Suite H
Port Huron, MI 48060
810-985-4400

ACTION ITEMS: SOP Papers with Transmittal, via Fed Ex Priority Overnight , 783714558283

SIGNED: The Corporation Company

ADDRESS: 30600 Telegraph Road
Suite 2345
Bingham Farms, MI 48025-5720

TELEPHONE: 248-646-9033



70004 2510 0006 3306 8362

GARAN LUCOW MILLER PC
HARBORSIDE OFFICE CENTER
1411 THIRD STREET SUITE H
PORT HURON MI 48060

RELiance STANDARD LIFE INSURANCE COMPANY
C/O THE CORPORATION COMPANY
30600 TELEGRAPH ROAD
BINGHAM FARMS MI 48025

STATE OF MICHIGAN THIRD JUDICIAL CIRCUIT WAYNE COUNTY	SUMMONS AND COMPLAINT	CASE NO. 16-009489-CZ Hon. Susan L. Hubbard
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2 Woodward Ave., Detroit MI 48226

Court Telephone No. 313-224-5183

Plaintiff Home-Owners Insurance Company	v	Defendant Reliance Standard Life Insurance Company
Plaintiff's Attorney Robert L. Goldenbogen, P-46166 1411 3rd St Ste H Port Huron, MI 48060-5480		Defendant's Attorney

SUMMONS NOTICE TO THE DEFENDANT: In the name of the people of the State of Michigan you are notified:

1. You are being sued.
2. **YOU HAVE 21 DAYS** after receiving this summons to **file a written answer with the court** and serve a copy on the other party or **take other lawful action with the court** (28 days if you were served by mail or you were served outside this state). (MCR 2.111[C])
3. If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued 7/28/2016	This summons expires 10/27/2016	Court clerk File & Serve Tyler
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*This summons is invalid unless served on or before its expiration date. This document must be sealed by the seal of the court.

COMPLAINT *Instruction: The following is information that is required to be in the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.*☐ This is a business case in which all or part of the action includes a business or commercial dispute under MCL 600.8035.**Family Division Cases**☐ There is no other pending or resolved action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties.☐ An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
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General Civil Cases☐ There is no other pending or resolved civil action arise out of the same transaction or occurrence as alleged in the complaint.☐ An civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in _____ Court.The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
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VENUE

Plaintiff(s) residence (include city, township, or village)	Defendant(s) residence (include city, township, or village)
Place where action arose or business conducted	

7/28/16 
 Date Signature of attorney/plaintiff



If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you fully participate in court proceedings, please contact the court immediately to make arrangements.

Signature _____

jp

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF WAYNE

HOME-OWNERS INSURANCE COMPANY,

Plaintiff,

v

Case No.: CZ
Hon.

RELIANCE STANDARD LIFE
INSURANCE COMPANY,
is a foreign corporation,

Defendant.

16-009489-CZ

FILED IN MY OFFICE
WAYNE COUNTY CLERK
7/28/2016 11:16:55 AM
CATHY M. GARRETT

Robert L. Goldenbogen (P46166)
Garan Lucow Miller, P.C.
Attorneys for Plaintiff
Harborside Office Center
1411 Third Street, Suite H
Port Huron, MI 48060
810-985-4400

There is no other pending or resolved civil action
arising out of the same transaction or occurrence
as alleged in the complaint.

COMPLAINT

NOW COMES the Plaintiff, Home-Owners Insurance Company (Home-Owners), by
and through its attorney, Garan Lucow Miller, P.C. and for its Complaint against the
Defendant, Reliance Standard Life Insurance Company (Reliance Standard), states as
follows:

PARTIES AND JURISDICTION

1. That the Plaintiff is an insurance company, licensed to underwrite no-fault automobile insurance coverage and, at all time pertinent hereto, conducted such business in the State of Michigan.

2. Defendant, Reliance Standard, a foreign corporation, is, upon information and belief, an Illinois corporation licensed to and doing business in the State of Michigan and did deliver in the State of Michigan a certain group policy of long term disability insurance for non-party, Gerald Shepherd, said policy bearing policy number VPL301611, which is the subject matter of this litigation.

3. At all times pertinent hereto, non-party, Gerald Shepherd, was insured for long term disability benefits under Reliance Standard Life Insurance Company Policy VPL301611 said policy of insurance having been issued to non-party, Gerald Shepherd, through his employment relationship with LaFontaine Automotive Group. (A copy of the Reliance Standard Life Insurance Company Long Term Disability Policy is attached as Exhibit A).

4. At all times pertinent hereto, non-party, Gerald Shepherd, was insured for no-fault automobile insurance benefits under a policy of no-fault automobile insurance coverage underwritten by Home-Owners Insurance Company, bearing policy number 47-643-392-000, which policy provided for excess work loss benefits, written to pay secondary to other health and accident coverage. (A copy of the Home-Owners policy and declaration pages is attached as Exhibit B).

5. On April 26, 2015, non-party, Gerald Shepherd, was injured in a motor vehicle accident and his injuries rendered him unable to work and eligible for long term

disability benefits under his Reliance Standard policy and work loss benefits under his no-fault automobile insurance policy.

6. Reliance Standard has denied its obligation to provide primary disability benefits under its disability policy and applicable Michigan insurance law, instead exacting a setoff of disability benefits to reflect no-fault automobile insurance work loss benefits which Reliance Standard asserts should provide primary coverage.

7. This litigation involves a priority of coverage dispute between Home-Owners Insurance Company and Reliance Standard Life Insurance Company relative to the obligation to provide disability and/or work loss coverage to Gerald Shepherd related to disability and/or inability to perform work as a result of his April 26, 2015, motor vehicle accident.

JURISDICTION AND VENUE

8. This Court has jurisdiction of this case pursuant to MCR 2.605 for the following reasons:

- a. An actual controversy exists whereby Home-Owners seeks declaratory judgment as to its rights and obligations *vis-a-vis* Defendant and other legal relationships of the parties; and
- b. This Court would have jurisdiction of an action on the same claim for relief other than a declaratory judgment.

9. Venue is proper in this Court pursuant to MCL §600.1601 *et seq.* for the following reasons:

- a. Defendant, Reliance Standard Life Insurance Company is a legal entity which operates in the State of Michigan, County of Wayne and which delivered its policy of insurance in the State of Michigan, County of Wayne;
- b. Home-Owners conducts business in the County of Wayne; and

- c. The amount in controversy exceeds Twenty Five Thousand and no/100 (\$25,000) Dollars.

COUNT I
REQUEST FOR DECLARATORY RELIEF

10. Plaintiff hereby incorporates and re-alleges each and every allegation contained in paragraphs 1 through 9 as though fully set forth herein.

11. Non-party, Gerald Shepherd, suffered injuries in his April 26, 2015, motor vehicle accident that rendered him disabled from work and which qualified him for long term disability benefits under his Reliance Standard Life Insurance Company long term disability policy and work loss benefits under his coordinated no-fault automobile insurance policy.

12. At the time of his accident, Mr. Shepherd was entitled to excess work loss coverage under his policy of no-fault automobile insurance issued by Home-Owners.

13. Pursuant to MCL §500.3109a, the Home-Owners policy covering Mr. Shepherd contained a valid and unambiguous coordination of benefits provision that makes its coverage secondary to coverage Mr. Shepherd has from other health and accident benefit plans:

3. WORK LOSS

When the Declarations state Personal Injury Protection:

- a. "Excess of Other Insurance"; or
- b. "Excess Wage"

the work loss benefits provided to the **named insured** or a **relative** in accordance with Chapter 31 of the Michigan Insurance Code do not apply until all work loss benefits available from any health or accident policy or plan have been paid. **We** will pay work loss benefits only to the extent they are not eligible for payment by any health or accident policy or plan.

14. Gerald Shepherd was enrolled in and eligible for long term disability coverage under the terms of the Reliance Standard Life Insurance Company policy including coverage for disability arising out of his April 26, 2015, motor vehicle accident.

15. Pursuant to applicable state insurance law, the Reliance Standard Life Insurance Company policy is obligated to pay primary disability benefits to the work loss coverage otherwise provided under the Home-Owners coordinated no-fault policy.

16. The Reliance Standard Life Insurance Company purports to allow Reliance Standard to offset disability benefits to the extent of mandatory no-fault automobile insurance benefits and Reliance Standard has maintained that its contract terms permit it to subordinate its coverage to Mr. Shepherd's coordinated no-fault work loss benefits.

17. Home-Owners has requested that Reliance Standard Life Insurance Company acknowledge its primary status and pay benefits accordingly but Reliance Standard Life Insurance Company has failed and refused to do so. (See May 20, 2016, correspondence attached hereto as Exhibit C).

18. Home-Owners, as of March 30, 2016, has paid to or on behalf of Gerald Shepherd the sum of Thirty Three Thousand Eight Hundred Fifty Eight and 15/100 (\$33,858.15) Dollars in work loss benefits that should have been paid by the Reliance Standard Life Insurance Company long term disability policy, which sums Home-Owners was required to pay out of priority. (See Pay Log attached hereto as Exhibit D).

19. An actual controversy exists between Plaintiff and Defendant over which coverage provides primary benefits and this Court's ruling is necessary to resolve the controversy.

WHEREFORE, Plaintiff, Home-Owners Insurance Company, respectfully requests this Honorable Court grant the following relief:

- a. Enter an Order declaring that the Reliance Standard Life Insurance Company provided coverage that was primary to Home-Owners' coordinated no-fault automobile insurance for the payment of disability/work loss benefits to or on behalf of General Shepherd related to his April 26, 2015, motor vehicle accident;
- b. Enter an Order declaring that Home-Owners, as the no-fault automobile insurance carrier in this matter, is entitled to recoup from said Defendant any amounts which Home-Owners has paid for disability/work loss benefits under its coordinated no-fault policy, which amounts are not in excess of the coverage afforded by the Reliance Standard Life Insurance Company;
- c. Award Home-Owners its costs, interest and attorney's fees incurred in having to bring this action to resolve this priority dispute; and
- d. Such further and other relief, legal and equitable, as this Honorable Court deems just.

COUNT II
RECOUPMENT

20. Plaintiff hereby incorporates and re-alleges each and every allegation contained in paragraphs 1 through 19 as though fully set forth herein.

21. Home-Owners, as the excess provider of work loss benefits to General Shepherd should have paid only excess coverage to or on behalf of Mr. Shepherd related to his April 26, 2015, motor vehicle accident.

22. Home-Owners, as of March 30, 2016, has paid to or on behalf of General Shepherd the sum of Thirty Three Thousand Eight Hundred Fifty Eight and 15/100 (\$33,858.15) Dollars in work loss benefits that should have been paid by the Reliance Standard Life Insurance Company long term disability policy, which sums Home-Owners was required to pay out of priority.

23. Under applicable Michigan law, the Reliance Standard Life Insurance Company is required to pay primary to Mr. Shepherd's coordinated no-fault work loss coverage.

24. Plaintiff has requested that Reliance Standard Life Insurance Company acknowledge its primary status and Reliance Standard has failed and/or refused to do so.

WHEREFORE, Plaintiff, Home-Owners Insurance Company, respectfully requests this Honorable Court grant the following relief:

- a. Enter an Order declaring that the Reliance Standard Life Insurance Company provided coverage that was primary to Home-Owners' coordinated no-fault automobile insurance for the payment of disability/work loss benefits to or on behalf of General Shepherd related to his April 26, 2015, motor vehicle accident;
- b. Enter an Order declaring that Home-Owners, as the no-fault automobile insurance carrier in this matter, is entitled to recoup from said Defendant any amounts which Home-Owners has paid for disability/work loss benefits under its coordinated no-fault policy, which amounts are not in excess of the coverage afforded by the Reliance Standard Life Insurance Company;
- c. Award judgment in favor of Home-Owners and against the Defendant in an amount that reimburses Home-Owners for all sums it has paid been required to pay out of priority;
- d. Award Home-Owners its costs, interest and attorney's fees incurred in having to bring this action to resolve this priority dispute; and
- e. Such further and other relief, legal and equitable, as this Honorable Court deems just.

/s/Robert L. Goldenbogen
Garan Lucow Miller, P.C.
Attorneys for Plaintiff
Harborside Office Center
1411 Third Street, Suite H
Port Huron, MI 48060
810-985-4400
rgoldenbogen@garanlucow.com
(P46166)

Dated: July 27, 2016
142-1325
#119343